

The Gazette of India



EXTRAORDINARY

PART I—Section 1

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No. 65] NEW DELHI, MONDAY, MAY 16, 1955

MINISTRY OF LAW

NOTIFICATION

New Delhi, the 16th May 1955

No. F.40(1)/55-E.—In pursuance of the provisions of section 67 of the Representation of the People Act, 1951 (XLIII of 1951), the following declaration containing the name of the candidate elected in the constituency referred to therein, is published for general information.

DECLARATION

HOUSE OF THE PEOPLE

Election to fill casual vacancy

In pursuance of section 66 of the Representation of the People Act, 1951, I declare that Shrimati Borkar, Anusayabai Bhaorao, of Indora, Nagpur, No. 4, has been duly elected by the Bhandara Constituency to fill the vacancy reserved for Scheduled Castes in the House of the People caused by the death of Shri Borkar, Nama Arjun.

C. R. KRISHNAMOORTHY,

*Returning Officer,
Bhandara.*

BHANDARA,
19th May, 1955.

K. Y. BHANDARKAR, Secy.

MINISTRY OF COMMERCE & INDUSTRY

RESOLUTION

STEEL RETENTION PRICES

New Delhi, the 16th May 1955

No. SC(A)/2(141)/55.—By the Ministry of Commerce and Industry Resolutions No. SC(A)-2(96)/52, dated the 20th July 1953 and No. SC(A)-2(89)/52, dated the 25th March 1954, Government announced the retention prices of steel payable to the Tata Iron and Steel Co. Ltd., and the Indian Iron and Steel Co. Ltd. respectively. These retention prices were to remain in force up to the 31st March 1955. In the latter Resolution Government expressed the view that the principles of price fixation hitherto followed required revision, that the revised principles should be applied to the industry from the 1st April 1955,

and that at that stage the treatment to be accorded to the colliery block of the steel companies, on which the Tariff Commission had submitted a report could also be appropriately dealt with.

2. Government have had under consideration the question of expansion of steel capacity in the country and have agreed that the capacity of the Tata Iron and Steel Co. Ltd. should be expanded by about 500,000 tons of finished steel and that of the Indian Iron and Steel Co. Ltd. by 100,000 tons, and an increase in the finishing capacity of the mills over and above the capacity already planned under their respective expansion programmes. Both the producers, however, have represented that the retention prices fixed for them should be suitably raised to facilitate the implementation of these additional expansion programmes partly from out of their internal savings. Government have considered these representations and have also reviewed the principles of price fixation hitherto followed, and have decided;

- (1) that the major producers of steel should be paid a uniform retention price;
- (2) that the uniform retention price to be paid to the Tata Iron and Steel Co. Ltd. and the Indian Iron and Steel Co. Ltd. should be fixed at Rs. 385 per ton, pending inquiry by the Tariff Commission; and
- (3) that agreements should be obtained from the two producers that the extra profits made by them as a result of the present increase in the retention price will be earmarked specifically for development and expansion and not for any other purpose except with the express permission of Government.

3. The Tariff Commission is now requested to conduct necessary enquiries and to recommend a uniform retention price which should be paid to the major producers, having regard to their current expansion programmes and the additional programme which they are to undertake. As indicated above, Government desire that the prices fixed for the two producers should be uniform on the average and where necessary and possible for each comparable product. In order that the introduction of a uniform price may not adversely affect the production and expansion programme of the Indian Iron and Steel Co. Ltd., whose works costs per ton are higher than those of the Tata Iron and Steel Co. Ltd., the uniform price should be fixed on the basis of the costs of production of the Indian Iron and Steel Co. Ltd. The uniform price should also be such as would enable both the producers to obtain a portion of their capital requirements of their current and additional expansion programmes from internal resources and to raise the balance from outside. The Commission may also recommend the period for which the revised retention price should remain in force, having in view the fact that the emphasis in respect of the present review of prices is on the expansion of the capacity of the respective plants.

4. As regards the treatment to be accorded to the colliery block of the Steel companies, Government accept the Commission's recommendations that such block should be treated as an integral part of the steel block and that the steel companies should be allowed to recover their actual cost of raising coal in the price of steel.

L. K. JHA, Jt. Secy.